

(APPENDIX A)

SETTLEMENT AGREEMENT

With Exhibits

THIS SETTLEMENT AGREEMENT ("Agreement"), made and entered into on April 6, 2006, is by, between, and among CITY OF AMERICAN CANYON ("City"), UNION PACIFIC RAILROAD COMPANY ("UP"), CALIFORNIA NORTHERN RAILROAD COMPANY ("California Northern"), STANDARD PACIFIC CORP., a Delaware corporation ("Standard Pacific"), and AMERICAN CANYON I, LLC ("ACI") (collectively referred to as the "Parties").

RECITALS

A. The City has filed Application No. 05-05-014 with the California Public Utilities Commission ("CPUC"), requesting authority to construct a public at-grade crossing of the tracks of California Northern at South Napa Junction Road.

B. The City has filed a Petition to Modify Decision No. 02-06-059 issued by the CPUC, requesting renewal of lapsed authority to construct a public at-grade crossing of the tracks of California Northern at Donaldson Way.

C. The proposed at-grade crossings at South Napa Junction Road and Donaldson Way are required by the City's General Plan and are necessary to accommodate residential and commercial development, including separate projects under development by ACI (involving the South Napa Junction Road at-grade crossing) and by Standard Pacific (involving the Donaldson Way at-grade crossing).

D. California Northern and UP, as lessor of California Northern's tracks and rights-of-way, have protested the authority sought by the City's Application No. 05-05-014 and the City's Petition to Modify Decision No. 02-06-059, asserting, among other things, that construction of the South Napa Junction Road and Donaldson Way at-grade crossings is inconsistent with CPUC policy favoring separated grade crossings and will impermissibly interfere with railroad operations.

E. In recognition of (i) the impracticality of constructing separated grade crossings at South Napa Junction Road and Donaldson Way; (ii) the need for public at-grade crossings at South Napa Junction Road and Donaldson Way to accommodate residential and

commercial development contemplated by the City's General Plan, including specific projects now under development by ACI and Standard Pacific; (iii) the incompatibility of grade crossings at these locations with California Northern's switching operations at its Napa Junction Yard; and (iv) the requirements of public safety, the Parties desire to enter into a comprehensive compromise settlement agreement that (a) will provide for construction of the proposed public at-grade crossings in a manner that promotes the public safety by reconstructing the California Northern Napa Junction Yard so that it can be switched from the north, thus avoiding unreasonable interference with existing and future railroad operations and (b) will also allow closure of existing private at-grade crossings.

AGREEMENT

IN CONSIDERATION of the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed by and between the Parties hereto as follows:

1. Railroads to Withdraw Opposition. California Northern and UP agree to withdraw their respective protests to the City's Application No. 05-05-014 and the City's Petition to Modify Decision No. 02-06-059 and to affirmatively support the City's pending requests for authority to construct public at-grade crossings at South Napa Junction Road and Donaldson Way.

(a) The City, with cooperation from California Northern and UP, shall ensure that the design, construction and installation of the public at-grade crossings at South Napa Junction Road and Donaldson Way comply with all applicable state and local rules and regulations, including but not limited to the applicable California Public Utilities Commission ("CPUC") rules and regulations governing railroad crossing warning and protection devices.

(b) The City will acquire from UP all necessary property rights required for the at-grade crossings at South Napa Junction Road and Donaldson Way and related roadways, with the cost of such property rights subject to reasonable determination by UP.

2. Condition for Withdrawal of Opposition. Support of California Northern and UP for approval and construction of the public at-grade crossings at South Napa Junction Road and

Donaldson Way is conditioned upon the binding commitment of the Parties to relocate the portions of the existing California Northern railroad switching facilities that would otherwise be directly adversely impacted by construction of the public at-grade crossings, pursuant to the scope of work as set forth in the plans approved by the Parties included in "Exhibit A" (as defined in Section 3 below). Standard Pacific and ACI shall fund the reconstruction of California Northern's Napa Junction Yard and related railroad switching facilities (the "Reconstruction Project") that would otherwise be adversely impacted by construction of the public at-grade crossings, in accordance with Section 4 below, which binding commitment is set forth in this Agreement.

3. Reconstruction of Napa Junction Yard. California Northern will assume full responsibility and liability for undertaking the design, construction, installation, maintenance and other ancillary work as may be required to complete the Reconstruction Project in compliance with all applicable state and local rules and regulations. The underlying scope of work for the Reconstruction Project and the associated plans approved by the Parties are attached hereto as "Exhibit A", and incorporated herein by this reference. Any changes, modifications, increases or additions to the Reconstruction Project, or other work caused thereby, associated therewith or otherwise related thereto shall be at the sole cost, expense and responsibility of California Northern. California Northern agrees to indemnify, hold harmless and defend the City, Standard Pacific and ACI, and each of such party's elected officials, officers, directors, managers, employees, consultants and agents from and against all claims, damages or liability arising out of claims for mechanics' liens, bodily injury or death, or damage to property, arising from the design, construction, installation, maintenance or operation of the Reconstruction Project.

After completion of the Reconstruction Project, California Northern shall use reasonable efforts to ensure the operation of the switching facilities shall not block or hinder the flow of traffic at either of the Crossings, and such switching activities shall not unnecessarily trigger the closing of the crossing arms.

4. Payment of Cost of Reconstruction Project.

(a) Standard Pacific and ACI acknowledge and agree that each of their respective projects will be benefited by the Reconstruction Project. The City also acknowledges and agrees that the Reconstruction Project will provide additional benefits to the City, unrelated

to impacts created by the Standard Pacific and ACI developments, including improved traffic flow, necessary railroad restructuring for the City's planned transportation network, requisite access to and from the planned police and fire facility, as well as necessary access to the planned Town Center.

In consideration of respective benefits to be realized as a result of the Reconstruction Project and in accordance with the terms of a separately executed, cost-sharing agreement, Standard Pacific and ACI agree to fund the Reconstruction Project and to reimburse California Northern for costs incurred in connection with the Reconstruction Project in an amount not to exceed \$677,645.

Standard Pacific agrees to bear the initial expense of funding the Reconstruction Project, subject to partial reimbursement by ACI as set forth in the separately executed, cost-sharing agreement between and among Standard Pacific, ACI, and the City. Standard Pacific therefore agrees that it will provide California Northern with timely reimbursement of costs incurred by California Northern in connection with the Reconstruction Project in an amount not to exceed \$677,645.

Any price increase, change to quotations, change orders, or other deviations from the established cost for the Reconstruction Project of \$677,645 will be at California Northern's sole cost and expense. California Northern shall submit monthly invoices to Standard Pacific covering reimbursement for work performed on its behalf in connection with the Reconstruction Project, with copies thereof to ACI and City. Said invoices shall be due and payable within thirty days of the date delivered. Invoices not paid in a timely manner shall bear interest at ten percent (10%) per annum.

(b) In the event California Northern is in breach of its obligations to complete the Reconstruction Project under Section 3 above, Standard Pacific and ACI shall be relieved of their respective obligations to reimburse California Northern for the expenses of the Reconstruction Project as set forth herein.

(c) California Northern shall keep and maintain accurate accounting and bookkeeping records relating to the Reconstruction Project and the total costs thereof. Standard Pacific, ACI, and the City and their employees, accountants, attorneys, agents, successors and assigns may review, inspect, copy and audit these records, including all source documents upon

reasonable advance notice and during regular business hours of California Northern at a location reasonably convenient to the requesting party.

5. Closure of Napa Junction Road Private Grade Crossing. The Parties acknowledge that the Reconstruction Project contemplated in Paragraph 3 cannot be commenced and undertaken without the closure of the existing private grade crossing at Napa Junction Road. The Parties therefore agree that closure of the Napa Junction Road grade crossing is a condition to and part of the consideration for UP's and California Northern's support of each of the new public at-grade crossings at South Napa Junction Road and Donaldson Way. Notwithstanding the foregoing, UP, California Northern and Standard Pacific may mutually agree, in writing, upon a specific scope of work and associated schedule, which, subject to CPUC authorization of the proposed crossing, will allow the continued construction of the Donaldson Way at-grade crossing prior to completion of the closure of the private grade crossing at Napa Junction Road, provided such work will not unreasonably disrupt UP's and California Northern's ongoing railroad operations. The construction of the South Napa Junction Road public at-grade crossing may be completed by ACI in the manner and at any time permitted by CPUC authorization of such crossing.

(a) To facilitate the required closure of the private grade crossing at Napa Junction Road, the Parties recognize the need to provide alternative access to a public roadway to parcels whose current access to public roadways is via an existing dirt and gravel roadway ("Existing Road") on the Watson Property (defined below) that is connected to the private grade crossing at Napa Junction Road. The parcels that may need this access are assessor's parcel nos. 059-030-003 (the "Newell Parcel") and 059-030-004 (the "City Open Space Parcel"). This Agreement shall not be construed to create, confirm or grant any rights for the Newell Parcel or City Open Space Parcel that do not exist independent of this Agreement.

(b) The Parties agree that the preferred method of alternative access (the "Alternative Access") referenced in Paragraph 5(a) is across assessor's parcel nos. 059-020-008 and 059-020-009 (the "Watson Property") as depicted in Exhibit B hereto. The owners of the Watson Property are not parties to this Agreement, and the Parties recognize that the owners shall retain control over the location, use of, and work on any Alternative Access across the Watson Property.

(c) ACI shall cause the landowners of the Watson Property to provide the Alternative Access. Notwithstanding the foregoing, the Parties agree to take any and all commercially reasonable actions necessary to provide an alternative access route, either as referenced in Paragraph 5(b) above, or as otherwise mutually agreed to by the Parties hereto (not to include a new private grade crossing of the California Northern track(s) at a different location), as a condition to the completion of the new public at-grade crossing at South Napa Junction Road.

(d) The City, ACI and Standard Pacific agree that the costs incurred to physically close the private grade crossing at Napa Junction Road within the property occupied by the Napa Junction Yard shall be borne by California Northern, and that such expense is included within the costs outlined in Exhibit A. The City, ACI and Standard Pacific acknowledge that all costs associated with providing alternate access to the user or users thereof (if any) are to be borne by ACI and Standard Pacific pursuant to the terms of a cost-sharing agreement separately executed by the City, ACI, and Standard Pacific. The Alternative Access shall be of a quality and type that is substantially similar to the Existing Road.

(e) In conjunction with the provision of the alternative access referenced in Paragraph 5(b)-(d), California Northern will, as soon as is practicable after execution of this Agreement, undertake to comply with the requirements of the CPUC regarding publication and posting of notice of planned closure of the private crossing at Napa Junction Road and, after proper notice has been provided together with lapse of all applicable time periods, will install at its expense facilities necessary to effect the physical closure of the private crossing at Napa Junction Road at its intersection with the westerly boundary of the Napa Junction Yard. California Northern has commenced such actions by proceeding with the posting of notice of the planned closure on or about February 10, 2006.

(f) If the Parties receive any claims or protests for closure of the private grade crossing at Napa Junction Road, the City, ACI and Standard Pacific will cooperate and undertake their collective best efforts to obtain any required consents from the protesting parties for the proposed closure.

6. Closure of Holcomb Lane Private Grade Crossing. The City and Standard Pacific agree to take all reasonable steps to obtain any required consents from adjoining property owners or other interested parties in order to effectuate the closure of the existing private at-grade

crossing at Holcomb Lane upon completion of the installation of crossing improvements for the proposed public crossing at Donaldson Way. The City and Standard Pacific shall document in writing their efforts to close the Holcomb Lane crossing and provide this information to California Northern, UP, and CPUC staff within six months following issuance of the requested CPUC order to renew the City's authority to convert the private crossing at Frisby Lane to a public crossing at Donaldson Way.

7. Future Crossings of California Northern Lines. The City commits to minimize the number of at-grade crossings in its land use planning and development process. Specifically, the City agrees to consolidate and close existing at-grade crossings within City limits to the maximum extent possible and to use its influence with the adjoining County to reduce the number of at-grade crossings, existing and future, to the maximum extent possible. With regard to future plans for a crossing of California Northern railroad tracks to accommodate the proposed extension of Newell Drive north of Watson Lane, the City agrees to actively support development of a separated grade crossing in lieu of a new at-grade crossing, in its discussions with the County and in future regulatory proceedings before the CPUC or any successor agency.

8. Devlin Road Grade Crossing. With regard to potential at-grade crossings of California Northern lines and future potential extensions of Devlin Rd., the City and California Northern agree to meet and confer in an effort to reach an accommodation regarding the need for any such crossing as well as the optimal design and location for any such required crossing.

9. UP's Pending Lot Line Adjustment. To the extent permitted by Subdivision Map Act Section 66412 and the City's applicable ordinances, the City will expeditiously and administratively process UP's pending Lot Line Adjustment/merger application. UP will promptly provide any requested information related to the referenced application and if necessary, will provide funding to cover the City's reasonable processing costs and outside consultant costs to review the application, if any. City and UP agree to use best efforts to facilitate discussions and cooperate to develop an access plan to the UP property that reasonably accommodates the interests of City, UP, and the adjoining owner of the Napa Junction III site.

10. Independence of Paragraphs 1 – 6. The commitments and obligations of the Parties to support construction of at-grade crossings at South Napa Junction Road and Donaldson Way and to relocate the facilities of the California Northern as set forth in paragraphs (1) through (6) herein are independent of the commitments and obligations of the Parties as set forth in

paragraphs (7) through (9) and are not contingent upon the outcome of efforts undertaken by the Parties in fulfillment of the commitments and obligations set forth in paragraphs (7) through (9) herein.

11. Agreement To Be Submitted To CPUC. This Agreement shall be submitted to the CPUC in each of its Proceeding No. A-01-09-0211 and Proceeding No. A-05-05-014, and each of the Parties consents to issuance of Decisions and Orders by the CPUC incorporating the provisions of paragraphs 1 through 6, as specifically set forth above.

12. Notices. All notices required or permitted to be given under this Agreement shall be in writing and mailed postage prepaid by certified or registered mail, return receipt requested, or by personal delivery or by overnight courier, to the appropriate address indicated below or at such other place or places as any of the Parties may, from time to time, respectively, designate in a written notice given to the other. Notices shall be deemed sufficiently served four (4) days after the date of mailing or upon personal delivery.

To City:

City of American Canyon
205 Wetlands Edge Road
American Canyon, CA 94503
Attn: Robert Weill, Public Works Director

With a copy to:

James D. Squeri, Esq.
Goodin, MacBride, Squeri
Ritchie & Day, LLP
505 Sansome Street, Suite 900
San Francisco, CA 94111

To California Northern:

Bob Jones, General Manager
California Northern Railroad Company
129 Klamath Court
American Canyon, CA 94503-9700

With a copy to:

Larry W. Telford, Esq.
Severson & Werson
One Embarcadero Center
26th Floor
San Francisco, CA 94111

To UP:

Steven W. Berki
Director Industrial & Public Projects
Union Pacific Railroad Co.
STOP 0910
1400 Douglas St.
Omaha NE 68175

With a copy to:

Carol A. Harris, Esq.
General Commerce Counsel
Union Pacific Railroad Company
49 Stevenson Street
Suite 1533
San Francisco, CA 94105

To Standard Pacific:

Ken Baki
Standard Pacific Homes
3825 Hopyard Road, Suite 195
Pleasanton, CA 94588

With a copy to:

Kristin Schenone, Esq.
Morgan Miller Blair
1676 North California Blvd., Suite 200
Walnut Creek, CA 94596-7462

To ACI:

Mike Anderson
Aegis Equity Partners, Inc.
130 Webster Street, Suite 200
Oakland, CA 94607

With a copy to:

Daniel Krebs, Esq.
Alliance Counsel
600 Townsend Street, Suite 120E
San Francisco, CA 94103

13. ~~No Waiver.~~ No waiver of any default or breach of any covenant of this Agreement by any party hereto shall be implied from any omission by such party to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the waiver, and then the waiver shall be operative only for the time and to the extent stated. Waivers of any covenant, term or condition by any party shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by any party to or of any act by another party requiring further consent or approval shall not be deemed to waive or render unnecessary their consent or approval to or of any subsequent similar acts.

14. ~~Severability.~~ Each provision of this Agreement is intended to be unseverable. If any term or provision of paragraphs 1 through 6 shall be determined by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, this Agreement shall then and thereupon terminate and have no further force or effect, whereupon UP and California Northern shall be restored to their former positions and shall be free to oppose opening of the public grade crossings at South Napa Junction Road and Donaldson Way. Notwithstanding the foregoing, this Agreement absent the offending term or provision, shall remain in full force and effect provided all parties hereto agree in writing to the survival of the Agreement.

15. ~~Attorneys' Fees.~~ If any legal proceeding should be instituted by any of the Parties to enforce the terms of this Agreement or to determine the rights of the Parties under this Agreement, the prevailing party in the proceeding shall receive, in addition to all court costs, reasonable attorneys' fees.

16. ~~Governing Law.~~ The rights and obligations of the parties under this Agreement shall be interpreted in accordance with the laws of the State of California as applied to contracts that are made and performed entirely in California.

17. ~~Integration.~~ This Agreement constitutes the complete expression of the agreement between the Parties and supersedes any prior agreements, whether written or oral, concerning the subject of this Agreement, which are not fully expressed herein. The Parties intend this

Agreement to be an integrated agreement. Any modification of or addition to this Agreement must be in writing signed by the Parties.

18. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

19. Construction of Agreement. The agreements contained herein shall not be construed in favor of or against either party, but shall be construed as if both parties prepared this Agreement.

20. Authority. Each person executing this Agreement on behalf of any party hereto represents that the execution of this Agreement has been duly authorized and that such person is authorized to execute this Agreement.

21. Captions. The captions used herein are for convenience only and are not a part of this Agreement and do not in any way limit or amplify the terms and provisions hereof.

22. Time of Essence. Time is of the essence of every provision of this Agreement in which time is an element.

23. Assignment. Neither this Agreement nor any portion hereof, or right, entitlement, or obligation hereunder is assignable without the prior express written consent of the other Parties, which consent shall not be unreasonably withheld. No permitted assignment shall operate to release assigning party from its obligations hereunder.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first written above.

(Signatures continued on next page)

CITY OF AMERICAN CANYON

By Dayle Keller
Dayle Keller
City Manager

UNION PACIFIC RAILROAD COMPANY

By _____
Steven W. Berki
Director Industrial & Public Projects

CALIFORNIA NORTHERN RAILROAD COMPANY

By _____
Bob Jones
General Manager

STANDARD PACIFIC CORP.

By _____
Glen Martin
Authorized Representative for Standard Pacific Corp.

AMERICAN CANYON I, LLC

By: Aegis American Canyon LLC, its Manager

By _____
Michael J. Anderson, its Manager

CITY OF AMERICAN CANYON

By _____
Robert Weill
Public Works Director

UNION PACIFIC RAILROAD COMPANY

By Steven W. Berki 4/13/06
Steven W. Berki
Director Industrial & Public Projects

CALIFORNIA NORTHERN RAILROAD COMPANY

By _____
Bob Jones
General Manager

STANDARD PACIFIC CORP.

By _____
Glen Martin
Authorized Representative for Standard Pacific Corp.

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Robert Weill
Public Works Director

UNION PACIFIC RAILROAD COMPANY

By _____
Steven W. Berkl
Director Industrial & Public Projects

CALIFORNIA NORTHERN RAILROAD COMPANY

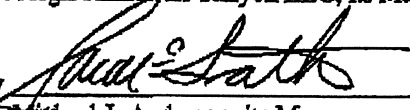
By _____
Bob Jones
General Manager

STANDARD PACIFIC CORP.

By _____
Glen Martin
Authorized Representative for Standard Pacific Corp.

AMERICAN CANYON I, LLC

By: Aegis American Canyon LLC, its Manager

By  _____
Michael J. Anderson, its Manager
Terrence M. McGrath, its Manager;

2938/003/075958.v1
04/05/06

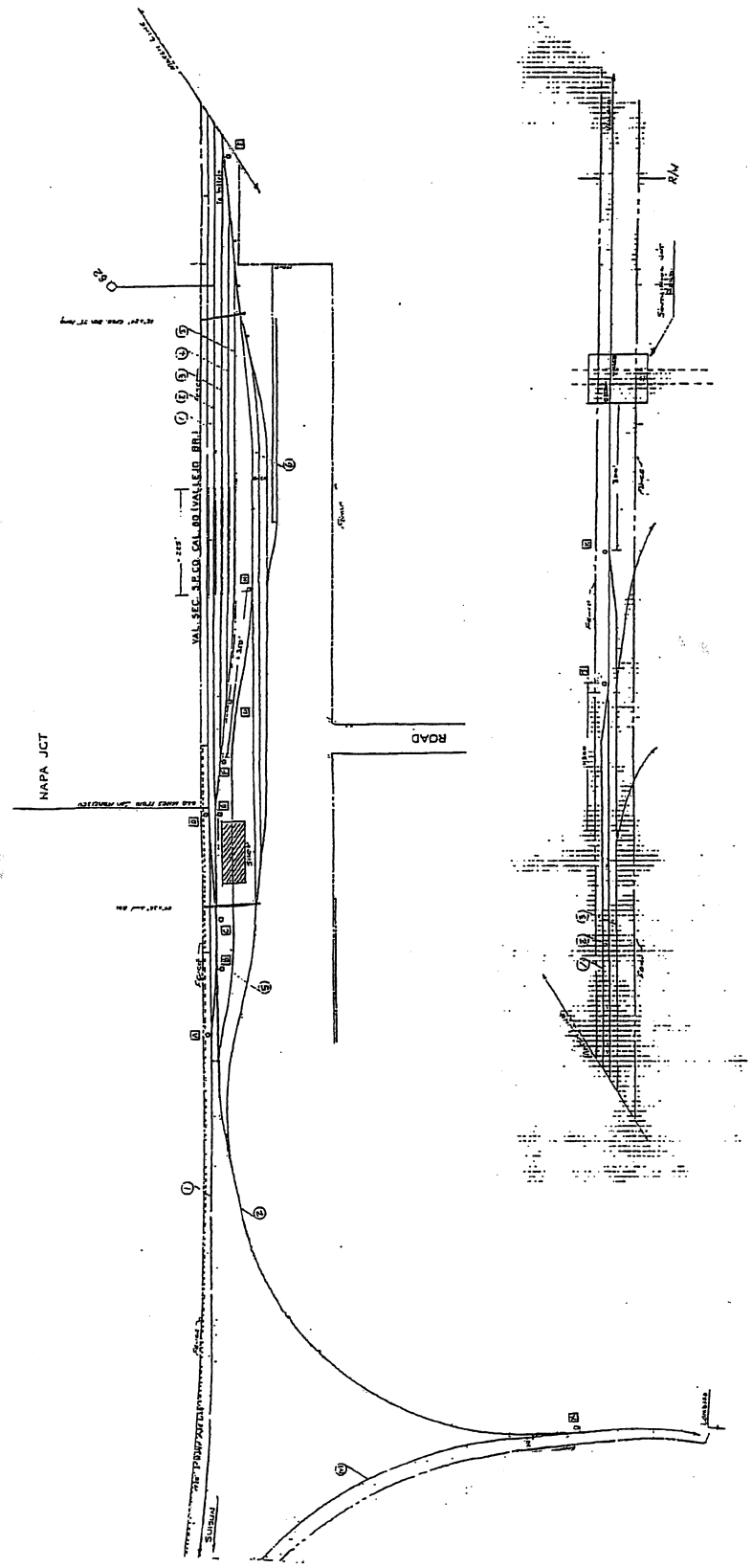
EXHIBIT A

RECONSTRUCTION PROJECT PLANS AND COST ESTIMATES

REVISIONS	BY
1	5-27-75
2	12-27-75
3	
4	
5	
6	
7	
8	
9	
10	

DATE OF PREP	DATE / TIME
DATE OF REV	DATE / TIME
DATE OF REV	DATE / TIME
DATE OF REV	DATE / TIME
DATE OF REV	DATE / TIME

When Inspection was made, the following was observed:



NAPA JUNCTION YARD PROJECT CONSTRUCTION ESTIMATE

2-2-06 JMN

	Item	Units	Unit Cost	Value
	<u>Materials</u>			
1.	Switches - 112/115/110# - Relay			
	A. No 10 Relay – RBM Double H Blocks – Back Saver – UPRR A – B – J – K	4 ea.	13,615.00	54,460.00
	B. No 9 Relay – Back Saver Double H Blocks – UPRR Self Guarded C – D – E – F – I	5 ea.	13,615.00	68,075.00
2.	<u>Switch Timbers</u> – New 7" x 9" HW – Relay	9 sets	3,500.00	31,500.00
3.	Rail – Relay K to S. Napa Xing 250 Ft J Switch 200 Ft I Switch 200 Ft H to Shop 200 Ft F Switch 200 Ft E Switch 200 Ft C to D 100 Ft D Switch 100 Ft B to A X-over 100 Ft B to C X-over 100 Ft X - A to Watson Lane 500 Ft 2,200 Ft 114 Stks x .748 Tns/Stk	85 tons	595.00	50,575.00
4.	<u>Plates</u> – Relay 5 1/2" DS – 8 Hole 8" x 13"	2,400 ea.	4.95	11,880.00
5.	<u>Bars</u> – Relay 115# or Equal – 4 Hole	114 pairs	50.00	5,700.00
6.	<u>Bolts</u> – New 1 1/8" x 6" @ 200/kg – New	18 kegs	180.00	3,240.00
7.	<u>Spikes</u> – New 5/8" x 6" New	80 kegs	70.00	5,600.00

Note:

136# rail - .884 tns/stk x 12 stks – 10.6 tons/switch

10.6 tons x 595/tn = 6300/switch

So. Switches @ 19.615 – 6300 = 13,615

**NAPA JUNCTION YARD PROJECT
CONSTRUCTION ESTIMATE**

2-2-06 JMN

	Item	Units	Units Cost	Value
8.	<u>Gage Rods – New</u>	-	-	-
9.	<u>#4 Ballast</u> 100 Tons/Car x 30 Cars	3,000 tons	19.00	57,000.00
10.	<u>Walkway ¾" Minus</u> 100 Tons/Car x 6 Cars	600 tons	19.00	11,400.00
11.	<u>Relay Ties</u> 7" x 9" x 9 Ft	2,500 ea.	23.50	58,750.00
12.	<u>Anchors – Relay</u> 5 1/2" Base	10,000 ea.	0.65	6,500.00
13.	<u>Comp Bars</u> 40 Pair 112# to 90#	40 pairs	294.00 pair	11,760.00
	Total Materials			376,440.00
	<u>Construction</u>			
1.	<u>Build 10 Switches</u> 5 – No 9 4 – No 10	5 4	13,500.00 15,500.00	67,500.00 62,000.00
2.	<u>Build Track</u> C to D 100 Ft H to Shop 200 Ft K South 250 Ft J Switch 200 Ft E Switch 100 Ft F Switch 100 Ft D Switch <u>200 Ft</u>	1,150TF	38.50	44,275.00
3.	<u>Rerail</u> J 100 Ft I 100 Ft D 100 Ft B to A 100 Ft B to C 100 Ft A to Watson <u>500 Ft</u>	1,000TF	25.00	25,000.00
4.	<u>Place Ballast</u> 30 Cars	3,000 tons	4.00 ton	12,000.00
5.	<u>Place Walkway Materials</u> 6 Cars	600 tons	4.00 ton	2,400.00

**NAPA JUNCTION YARD PROJECT
CONSTRUCTION ESTIMATE**

2-2-06 JMN

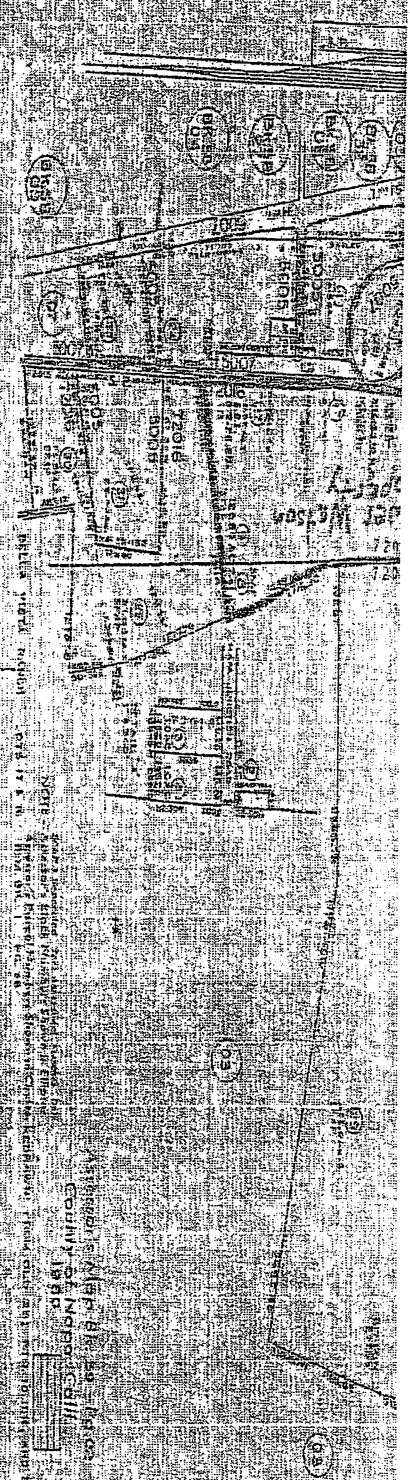
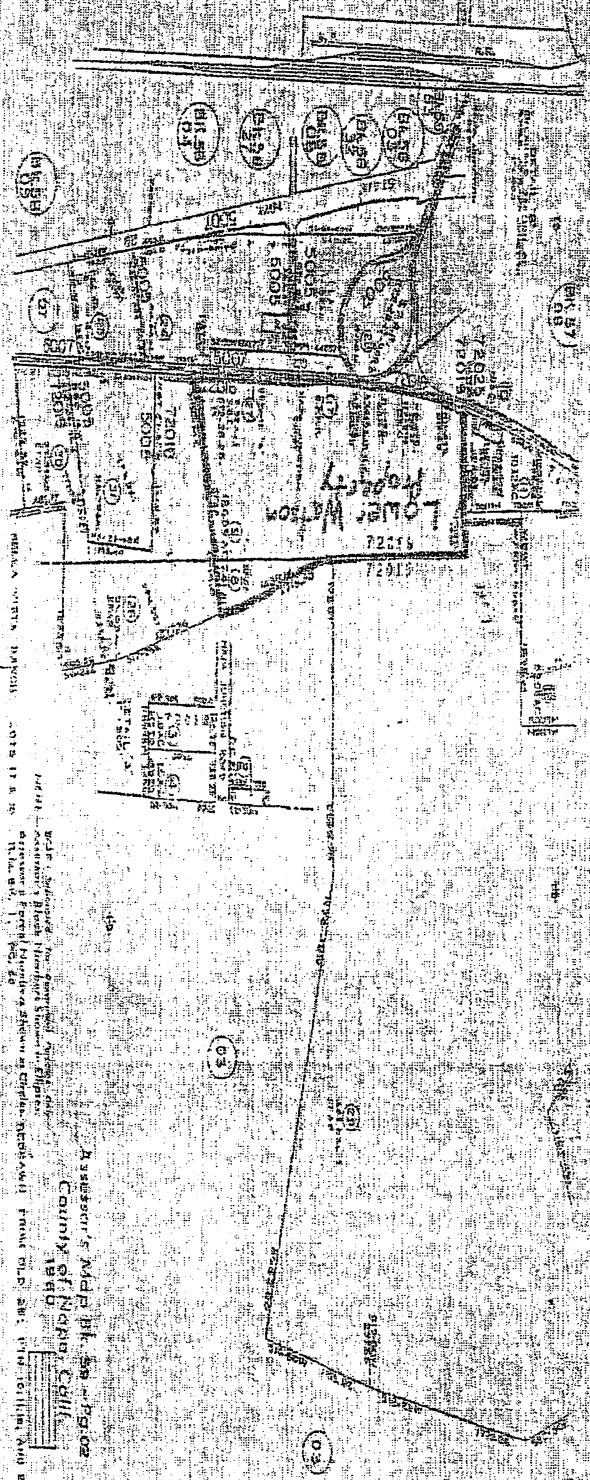
	Item	Units	Unit Cost	Value
6.	<u>Install Ties</u> 1,500 Ties	1,800 ea.	24.00	48,000.00
7.	<u>Site Grading</u> Embankment @ J	LS	19,500	19,500.00
8.	<u>Drainage System</u> Profile Ditches Cat D-4 Cat 12 Blade	32 hrs 40 hrs	125 hr. 100 hr.	4,000.00 4,000.00
9.	<u>Install 24" CMP</u>	-	-	-
10.	<u>Install Gage Rods</u>	-	-	-
	Total Construction			283,875.00
	CFNR Project Management Fees			17,330.00
	Total Project			677,645.00

EXHIBIT B

MAP OF "WATSON PROPERTY"

NOTE: This Map Was Prepared For
Assessment Purposes Only. No
Liability Is Assumed For The
Accuracy Of The Data Presented
Hereon.

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Accuracy Of The Data Presented
Hereon.





A.05-05-014 SERVICE LIST
Last Updated May 25, 2006

CAROL A. HARRIS
UNION PACIFIC RAILROAD
COMPANY
caharris@up.com

JAMES D. SQUERI
GOODIN MACBRIDE
SQUERI RITCHIE & DAY
LLP
jsqueri@gmssr.com

LARRY W. TELFORD
SEVERSON & WERSON
lwt@severson.com

BOB JONES
CALIFORNIA NORTHERN
RAILROAD COMPANY
bob.jones@railamerica.com

Vahak Petrossian
CALIF PUBLIC UTILITIES
COMMISSION
vap@cpuc.ca.gov

George Elsmore
CALIF PUBLIC UTILITIES
COMMISSION
gle@cpuc.ca.gov

John E. Thorson
CALIF PUBLIC UTILITIES
COMMISSION
jet@cpuc.ca.gov

Victor D. Ryerson
CALIF PUBLIC UTILITIES
COMMISSION
vdr@cpuc.ca.gov

Virginia Laya
CALIF PUBLIC UTILITIES
COMMISSION
vdl@cpuc.ca.gov

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(END OF APPENDIX B) -